001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☑
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: ML-10755	6. SURFACE: State
1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐	7. IF INDIAN, ALLOTTEE OR TRIBE NAME:
B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☑ MULTIPLE ZONE ☐	8. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company	9. WELL NAME and NUMBER: NBU 400
3. ADDRESS OF OPERATOR: P.O. Box 1148 CITY Vernal STATE UT ZIP 84078 — PHONE NUMBER: (435) 781-7023	10. FIELD AND POOL, OR WILDCAT: Natural Buttes
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 709' FNL & 1800' FWL 4423361Y 39.95333 623040X -109.55962 AT PROPOSED PRODUCING ZONE:	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 16 10S 21E S
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 16.1 Miles Southeast of Ouray, Utah	12. COUNTY: Uintah — 13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 709'	16. NUMBER OF ACRES IN LEASE: 640 — 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 640
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): Refer to Topo C	19. PROPOSED DEPTH: 8,150 — 20. BOND DESCRIPTION: 400JU0705
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5168' GL	22. APPROXIMATE DATE WORK WILL START: — 23. ESTIMATED DURATION: 10 Days

RECEIVED
NOV 25 2002
DIVISION OF
OIL, GAS AND MINING

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
11 - 12 1/4	8 5/8 or 9 5/8	250	Refer to 10 pt program
7 7/8	4 1/2 or 5 1/2	8,150	Refer to 10 pt progam

CONFIDENTIAL

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- ☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- ☑ COMPLETE DRILLING PLAN
- ☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Cheryl Cameron — TITLE Operations

SIGNATURE Cheryl Cameron — DATE 11/21/2002

(This space for State use only)

API NUMBER ASSIGNED: 43-047-34794

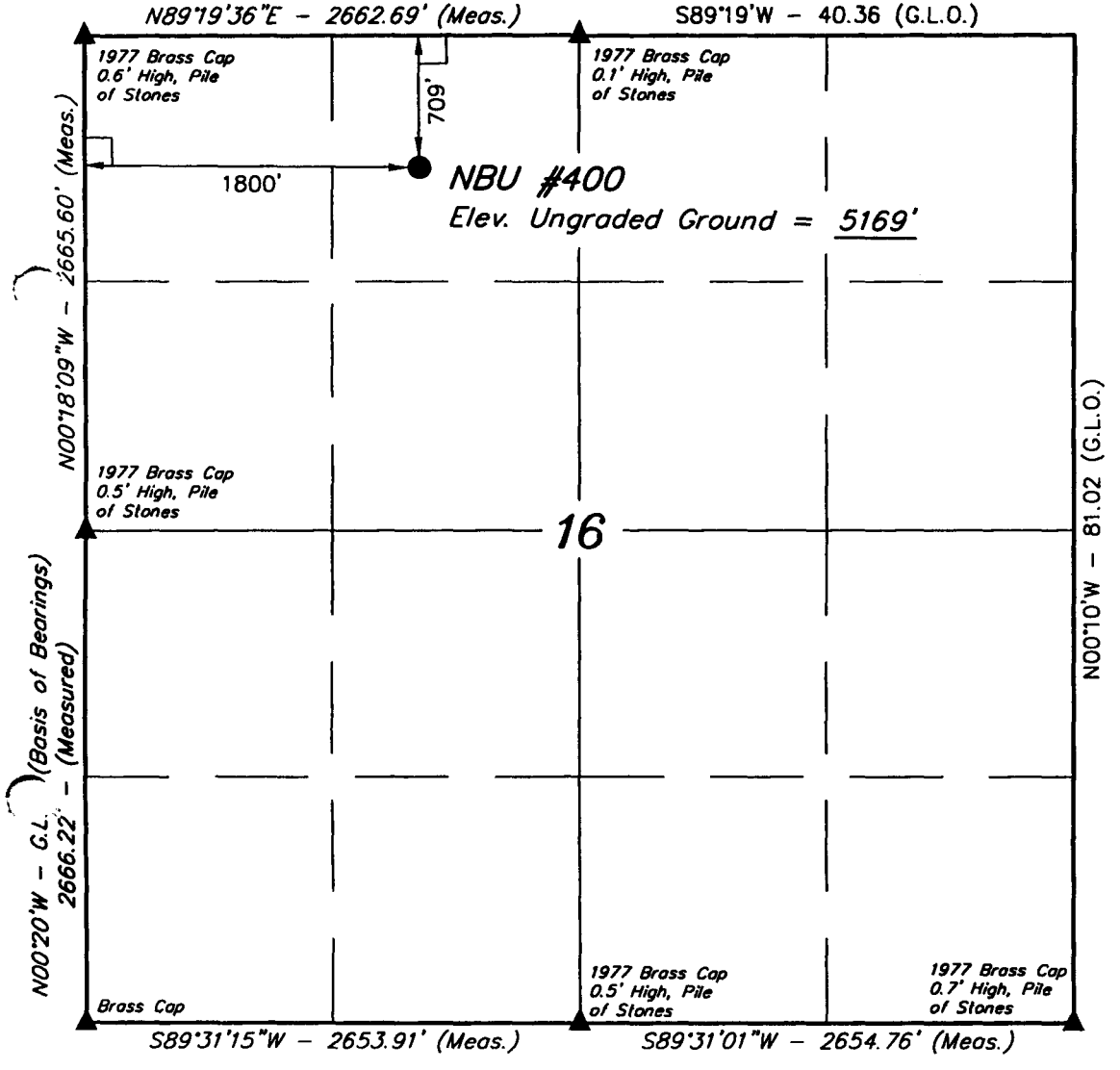
APPROVAL:

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 01-29-03
By:

(11/2001)

(See Instructions on Reverse Side)

T10S, R21E, S.L.B.&M.



LEGEND:

= 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

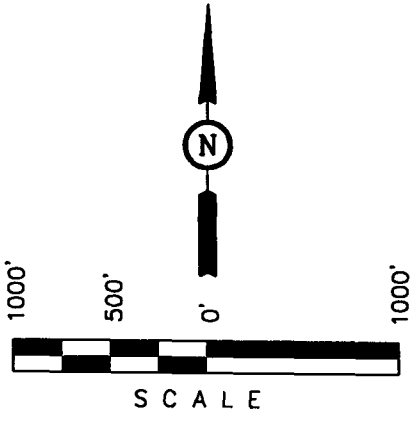
LATITUDE = 39°57'12"
LONGITUDE = 109°33'34"

EL PASO
PRODUCTION OIL & GAS COMPANY

Well location, NBU #400, located as shown in the NE 1/4 NW 1/4 of Section 16, T10S, R21E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Kay No. 161319

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REGISTERED LAND SURVEYOR
161319
STATE OF UTAH

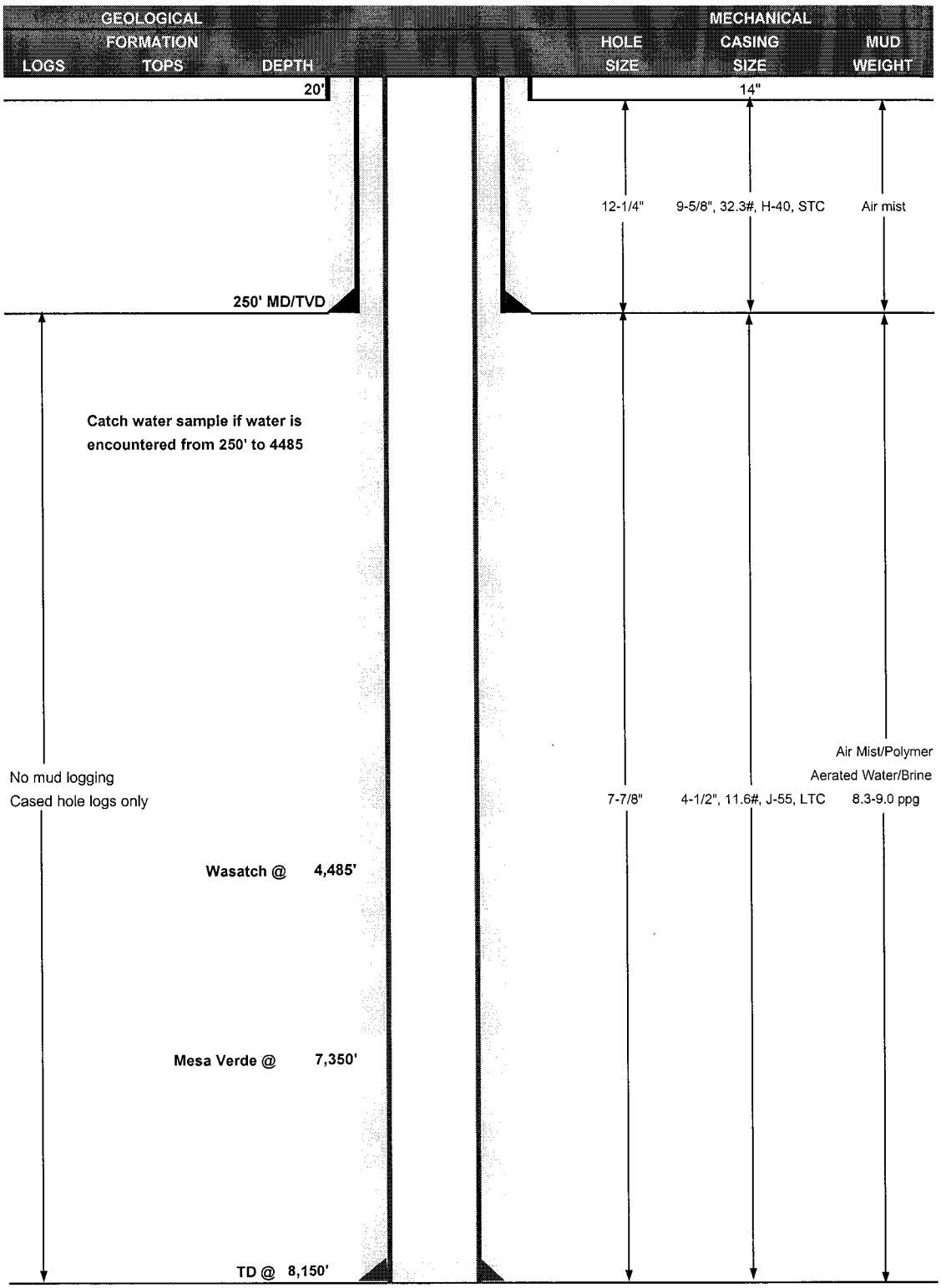
UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 10-10-01	DATE DRAWN: 10-19-01
PARTY: B.B. W.C. D.COX	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: EL PASO PRODUCTION OIL & GAS COMPANY	

elpaso Production

DRILLING PROGRAM FOR APD

COMPANY NAME	El Paso Production Company	DATE	January 16, 2003
WELL NAME	**NBU 400**	TD	8,150' MD/TVD
FIELD	Natural Buttes	COUNTY Uintah STATE Utah	ELEVATION 5,168' KB
SURFACE LOCATION	709' FNL, 1800' FWL, NENW SEC. 16, T10S, R21E		BHL Straight Hole
OBJECTIVE ZONE(S)	Wasatch, Mesa Verde		
ADDITIONAL INFO	Regulatory Agencies: UDOGM, Tri-County Health Dept.		



elpaso Production

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-20'						
						2270	1370	254000
SURFACE	9-5/8"	0-250'	32.30	H-40	STC	16.19	11.71	4.37
						5350	4960	162000
PRODUCTION	4-1/2"	0-TD	11.60	J-55	LTC	1.86	1.30	1.12

1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)

2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)

3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)

(Burst Assumptions: FG @ 9-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 50000 lbs overpull)

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE		250	Class G + 2% CaCl2 + 0.25 pps celloflake	140	35%	15.80	1.16
PRODUCTION	LEAD	3,980'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	430	60%	11.00	3.38
	TAIL	4,170'	50/50 Poz/G + 10% salt + 2% gel	1170	60%	14.30	1.31

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys on bit trips. Maximum allowable hole angle is 5 degrees.

Prepared by: C. Cameron

DRILLING ENGINEER: _____ **DATE:** _____

Dan Lindsey

003

NBU 400
NENW Sec. 16, T10S, R21E
Uintah County, UT
ML-10755

EL PASO PRODUCTION COMPANY

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

Formation	Depth
KB	5185'
Green River	1275'
Wasatch	4485'
Mesaverde	7350'
Total Depth	8150'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

Substance	Formation	Depth
	KB	5185'
	Green River	1275'
	Wasatch	4485'
Gas	Mesaverde	7350'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.

The hydrill will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 3,000 psi.

4. **Proposed Casing Program:** – See Sundry dated 1/16/03

Purpose	Depth	Hole Size	Casing Size	Wt/ft	Grade	Type
Surface	0-250'	11" or 12 ¼"	8 5/8" or 9 5/8"	24#, 32.3#, 36#, or 40#	K-55, H-40, or J-55	ST&C
Production	0-TD	7 7/8"	4 ½" or 5 ½"	11.6#	N-80	LT&C

The proposed casing and cementing program shall be conducted as approved to to protect and/or isolate all usable water zones potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation that will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics.

All casing, except conductor casing, shall be new or reconditioned and tested. Used casing shall meet or exceed API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing. If drive pipe is used, it may be left in place if its total length is less than twenty feet below the surface. If the total length of the drive pipe is equal to or greater than twenty feet, it will be pulled prior to cementing surface casing, or it will be cemented in place.

As a minimum, usable water zones shall be isolated and/or protected by having a cement top for the production casing at least 200 feet above the base of the usable water. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc., shall be utilized to help isolate the cement from contamination by the mud being displaced ahead of the cement slurry.

Maximum anticipated bottom hole pressure calculated @ 8150 TD approximately equals 3260 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1467 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot.

All casing strings below the conductor shall be pressure tested to 0.22 psi/foot of casing string length or to 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action shall be taken.

Casing design is subject to revision based on geologic conditions encountered.

Proposed Cementing Program: See Sundry dated 1/16/03

Surface	Fill	Type & Amount
0-250'	250'	A minimum of 85 sx Class "G" + 2% $CaCl_2$, 15.6 ppg, 1.19 cf/sx (Cement will be circulated to surface, about 25% excess)

Production	Type & Amount
200' above the top-most resource interval	Lead: Extended, Lite, or Hi-Fill cement + additives, 11 or 12 ppg, 2.69 cf/sx
TD-500' above productive internal	Tail: Extended Class "G" or 50:50 Poz + additives, 14 ppg, or RFC, 14.0 – 14.5 ppg, 1.57 cf/sx.

For production casing, actual cement volumes will be determined from the calculated hole volume + 60% excess, minimum. Cement volumes will include an amount sufficient to circulate to surface, if possible. Operator will continue to attempt to circulate cement to surface, but at a minimum, circulation will be 200' above the top of the Green River Formation, or as directed by the Authorized Officer (AO) or Acting, or as specified in the Conditions of Approval (COA) in the Application for Permit to Drill (APD).

For surface casing, waiting on cement time will be adequate to achieve 500 psi compressive strength at the casing shoe prior to drilling out.

Anticipated cement tops will be reported as to depth, not the expected number of sacks of cement to be used. The Division of Oil, Gas, and Mining (DOGM) Office shall be notified, with sufficient lead time, in order to have a DOGM representative on location while running all casing strings and cementing.

After cementing the surface pipe and/or any intermediate strings, but before commencing any test, The casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the Driller's Log.

Auxiliary Well Control Equipment to Be Used:

Kelly Cock
A sub with a full opening (TIW) valve having threads compatible with drill string tubulars.

5. **Drilling Fluids Program:**

WASATCH

Interval	Type	Mud Weight
0-TD	Air/Air Mist/Aerated Water/Water (as hole conditions Warrant) Displace Hole to 10 ppg brine mud, prior to logging.	8.4 ppg or less

MESAVERDE

Interval	Type	Mud Weight
0-TD	Air/Air Mist/Aerated Water/Water (as hole conditions warrant) Depending on hole conditions, the hole will be displaced to either 10 ppg brine or drilling mud prior to logging. If hole conditions warrant, a mud system will be used.	8.4 ppg or less

No chromate additives will be used in the mud system prior to approval to ensure adequate protection of fresh water aquifers.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of this well.

6. Evaluation Program:

The Evaluation Program may change at the discretion of the well site geologist with approval by The Authorized Officer.

Cased Hole Logs Only

GR/Dipole Sonic/Neutron:	TD-500' above the Wasatch Formation (to surface at times)
Drill Stem Tests:	As deemed necessary
Cores:	As deemed necessary

When cement has not been circulated to surface, the cement top will be determined by Either a temperature survey or cement bond log. Should a temperature survey fail to Locate the cement top, a cement bond log shall be run.

Open Hole Logs

PEX:	From TD - Surface

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth.

8. Variances:

Operator requests approval to perform drilling operations without an automatic igniter because drilling will be performed with an air/mist medium.

9. **Other Information:**

All loading lines will be placed inside the berm surrounding the tank battery.

10. **Anticipated Starting Dates & Notification of Operations:**

Anticipated commencement date shall be upon approval of the proposed APD.

Drilling Days:	Approximately 10 days
Completion Days:	Approximately 7 days

NBU 400
NENW Sec. 16, T10S, R21E
Uintah County, UT
ML-10755

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to the attached directions to the proposed location site.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

Improvements to existing access roads shall be determined at the on-site inspection.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet, ***unless modified at the on-site inspection***. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon (2.5Y 6/2).

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo Map D for the proposed pipeline placement.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids. ***The need for a reserve pit liner will be determined at the on-site inspection.***

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S,R19E.

8. Ancillary Facilities:

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s). ***This section is subject to modification as a result of the on-site inspection.***

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

If it is determined that a pit liner will be used at the on-site inspection, the reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile (s), and surface material stockpile(s).

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of

irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

State of Utah
SITLA
675 East 500 South
Salt Lake City, UT 84102-2818

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been conducted. A copy of this report is attached.

This proposed location is not within 460 feet from the boundary of the Natural Buttes Unit, nor is it within 460 feet of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certifcation:

Cheryl Cameron
Regulatory Analyst
El Paso Production Company
P.O. Box 1148
Vernal, UT 84078
(435) 781-7023

Scott Palmer
Drilling Manager
El Paso Production Company
9 Greenway Plaza
Houston, TX 77046
(832) 676-3391

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

El Paso Production Company is considered to be the operator of the subject well. El Paso Production Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by El Paso Production Company, State Bond No. 400JU0705.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Cheryl Cameron

11/21/02
Date

ORIGINAL

NBU-400

CULTURAL RESOURCE INVENTORY OF EL PASO PRODUCTION'S NATURAL BUTTES 11 WELL LOCATIONS, UINTAH COUNTY, UTAH

Keith R. Montgomery

ORIGINAL

CULTURAL RESOURCE INVENTORY OF EL PASO PRODUCTION'S NATURAL BUTTES ELEVEN WELL LOCATIONS UINTAH COUNTY, UTAH

Keith R. Montgomery

Prepared For:

Bureau of Land Management
(Vernal Field Office)

Prepared Under Contract With:

El Paso Production Oil and Gas Company
1368 South 1200 East
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants
P.O. Box 147
Moab, Utah 84532

MOAC Report No. 01-173

October 31, 2001

United States Department of Interior (FLPMA)
Permit No. 01-UT-60122

State of Utah Antiquities Project (Survey)
Permit No. U-01-MQ-0738b

INTRODUCTION

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) in October 2001 for El Paso Production Oil and Gas Company proposed eleven well locations (CIGE #275, CIGE #276, CIGE #277, NBU #399, NBU #400, NBU #419, NBU #420, NBU #421, NBU #425, NBU #426 and NBU #427). The proposed well locations with access and pipeline corridors are situated in the Natural Buttes area, southeast of Ouray, Utah (Figures 1 and 2). The survey was implemented at the request of Mr. Carroll Estes, El Paso Production Oil and Gas Company, Vernal, Utah. The project is situated on land administered by the Bureau of Land Management (BLM), Vernal Field Office

The objective of the inventory was to locate, document, and evaluate any cultural resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventory was implemented to attain compliance with a number of federal and state mandates, including the National Environmental and Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978, and Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed on October 25 and 26, 2001 by Keith R. Montgomery, (Principal Investigator) and assisted by Jacki Montgomery. The project was initiated under the auspices of U.S.D.I. (FLPMA) Permit No. 01-UT-60122 and State of Utah Antiquities Permit (Survey) No. U-01-MQ-0738b issued to MOAC.

A file search was performed by Sarah Ball at the Utah Division of State History on October 15, 2001. This consultation indicated that several archaeological inventories have been completed in near the project area. In 1981, Brigham Young University completed the Magic Circle Cottonwood Wash inventory (Thompson 1981). In 1991, Metcalf Archaeological Consultants (MAC) inventoried several Natural Butte well locations for Coastal Oil and Gas Corporation (Scott 1991a, b). In 1995, Archeological Environmental Research Corporation surveyed the Glen Bench Road documented an ineligible lithic scatter (42Un1792) near the current project area (Hauck and Hadden 1995). Metcalf Archaeological Consultants surveyed a number of well locations for Coastal Oil & Gas Corporation in 1997 (Spath 1997). In 2001, Montgomery Archaeological Consultants inventoried 10 El Paso Production's well locations in the Natural Buttes area (Montgomery 2001). No archaeological sites have been documented in the immediate project area.

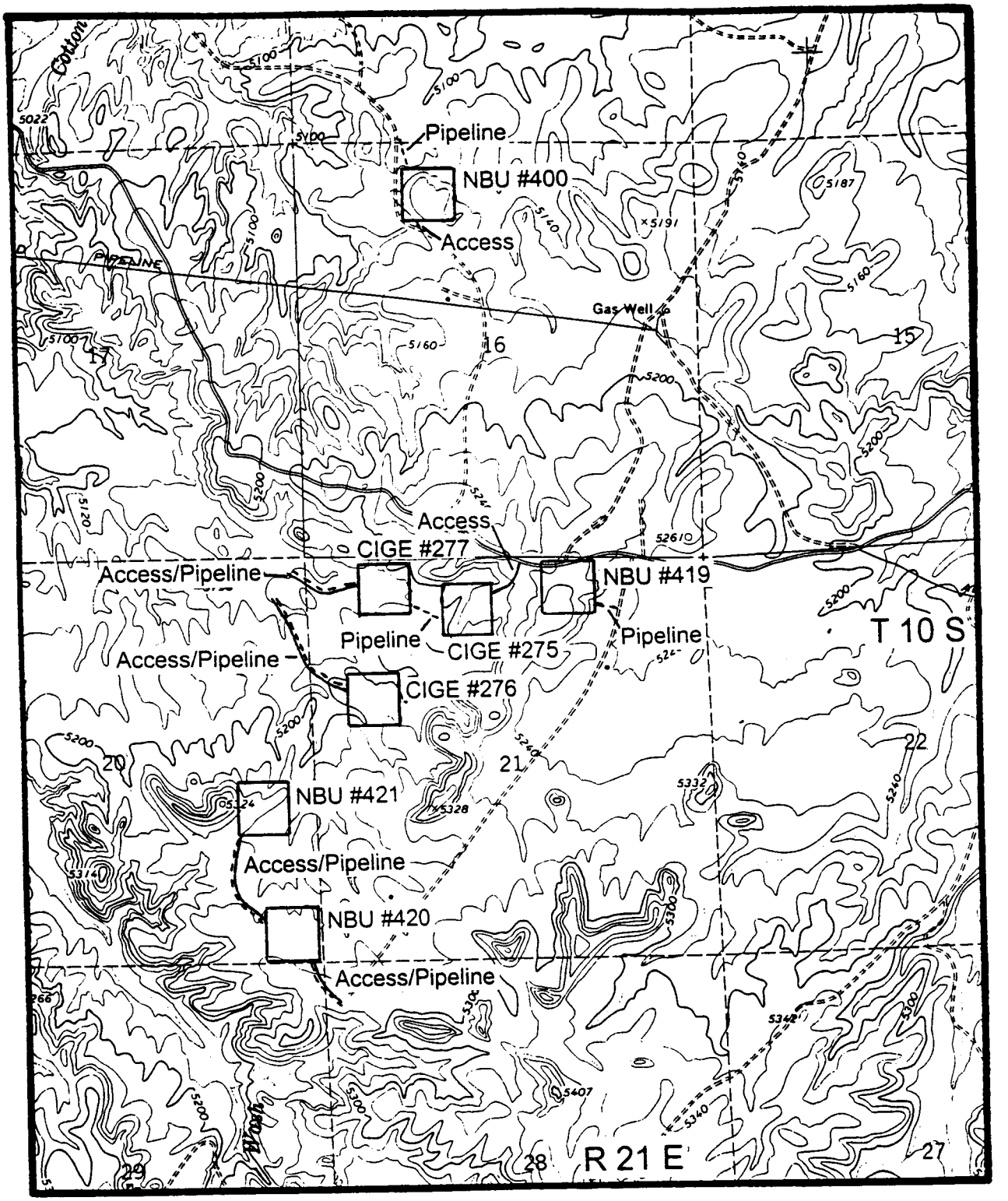


Figure 1. Inventory Area of El Paso Production Oil and Gas Company's CIGE #275, CIGE #276, CIGE #277, NBU #400, NBU #419, NBU #420, NBU #421 well locations. USGS 7.5' Big Pack Mtn. NE, Utah 1968. Scale 1:24000.

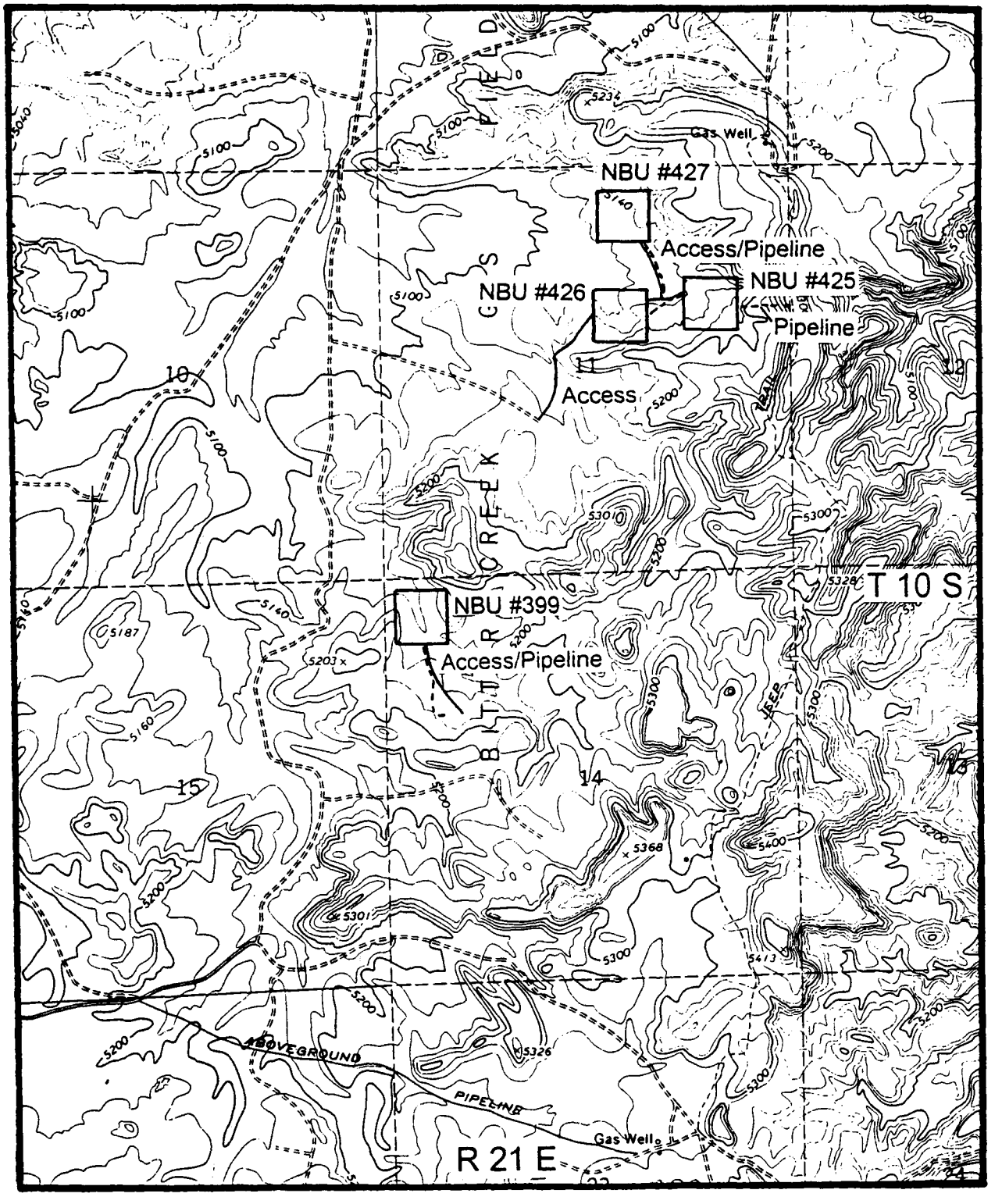


Figure 2. Inventory Area of El Paso Production Oil and Gas Company's NBU #399, NBU #425, NBU #426, and NBU #427 well locations. USGS 7.5' Archy Bench, Utah 1987. Scale 1:24000.

DESCRIPTION OF PROJECT AREA

The eleven proposed El Paso Production well locations, access and pipeline corridors are situated in the Natural Buttes Field, southeast of Ouray, Utah. The legal description is T 10S, R 21E, Sections 11, 14, 16, 20, 21 and 32 (USGS 7.5' Big Pack Mtn. NE). The proposed well locations are designated: CIGE #275, CIGE #276, CIGE #277, NBU #399, NBU #400, NBU #419, NBU #420, NBU #421, NBU #425, NBU #426 and NBU #427 (Table 1).

Table 1. El Paso Production's Natural Butte Eleven Well Locations

Well Location Designation	Legal Location	Location at Surface	Access/Pipeline	Cultural Resources
CIGE #275	T 10S, R 21E, Sec. 21 NE/NW	699' FNL 2196' FWL	Access 600' Pipeline 500'	None
CIGE #276	T 10S, R 21E, Sec. 21 SW/NW	1954' FNL 892' FWL	Access/Pipeline 1800'	None
CIGE #277	T10S, R21E, Sec. 21 NW/NW	473' FNL 1101' FWL	Access/Pipeline 1100'	None
NBU #399	T10S, R21E, Sec. 14 NW/NW	543' FNL 578' FWL	Access/Pipeline 500' Access 600' Pipeline 700'	None
NBU #400	T10S, R21E, Sec. 16 NE/NW	709' FNL 1800' FWL	Access 100' Pipeline 500'	None
NBU #419	T10S, R21E, Sec. 32 NW/NE	424' FNL 1816' FEL	Access in 10 Acre Pipeline 300'	None
NBU #420	T10S, R21E, Sec. 20 SE/SE	343' FSL 416' FEL	Access/Pipeline 700'	None
NBU #421	T10S, R21E, Sec. 20 NE/SE	2000' FSL 706' FEL	Access/Pipeline 1400'	None
NBU #425	T10S, R21E, Sec. 11 SE/NE	1852' FNL 1054' FEL	Access 500' Pipeline 700'	None
NBU #426	T10S, R21E, Sec. 11 SW/NE	1980' FNL 2226' FEL	Access 1700' Pipeline 600'	None
NBU #427	T10S, R21E, Sec. 11 NW/NE	660' FNL 2155' FEL	Access/Pipeline 900'	None

REFERENCES CITED

Hauck, F.R., and G.V. Hadden
1995 Cultural Resource Evaluation of the Proposed Glen Bench Road in the White River Locality of Uintah County, UT. Archeological-Environmental Research Corp. Bountiful, UT. Project No. UT-95-AF-083. On file at the Utah Division of State History.

Nielson, A.
1981 Cultural Resource Inventory of the Magic Circle Cottonwood Wash Project, Uintah County, Utah. Brigham Young University, Cultural Resource Service Managment, Provo, UT. Project No. U-81-BC-686. On file at the Utah Division of State History.

Scott, J.M.
1991a CIGE #168-16-10-21 Cultural Resources Inventory in Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-91-MM-607. On file at the Utah Division of State History.

1991b NBU #179 Cultural Resource Inventory in Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-91-MM-607. On file at the Utah Division of State History.

Spath, C.
1997 Coastal Oil and Gas Corporation's Proposed CIGE #s 203, 210, 212, 220 and NBU #272 Well Pads, Pipelines and Access, Section 34, T9S, R21E, Sections 31 and 34, T9S, R22E, Section 16, T10S, R21E, and Section 11, T10S, R22E, Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Project No. U-97-MM-0120s. On file at the Utah State Division of History, Salt Lake City.

Stokes, W.L.
1986 *Geology of Utah*. Utah Museum of Natural History and Utah Geological and Mineral Survey, Salt Lake City.

EL PASO PRODUCTION OIL & GAS COMPANY

NBU #400
SECTION 16, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY, THEN NORTHEASTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN NORTHEASTERLY, DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 47.1 MILES.

EL PASO PRODUCTION OIL & GAS COMPANY

NBU #400

LOCATED IN UINTAH COUNTY, UTAH
SECTION 16, T10S, R21E, S.L.B.&M.

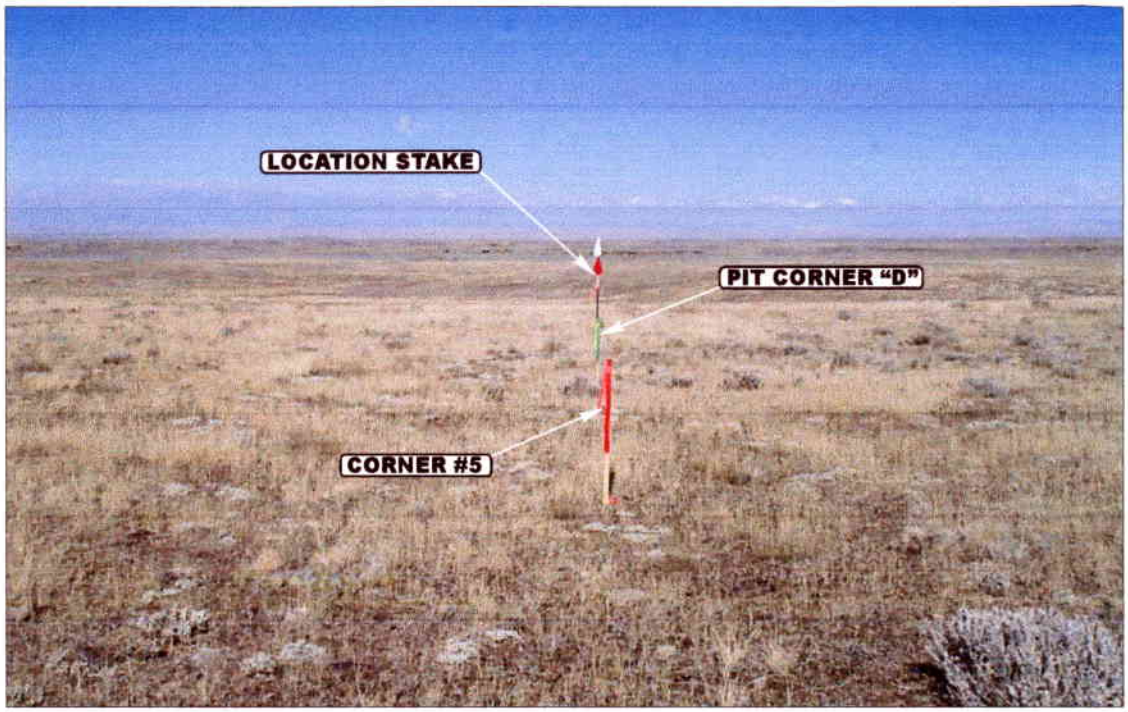


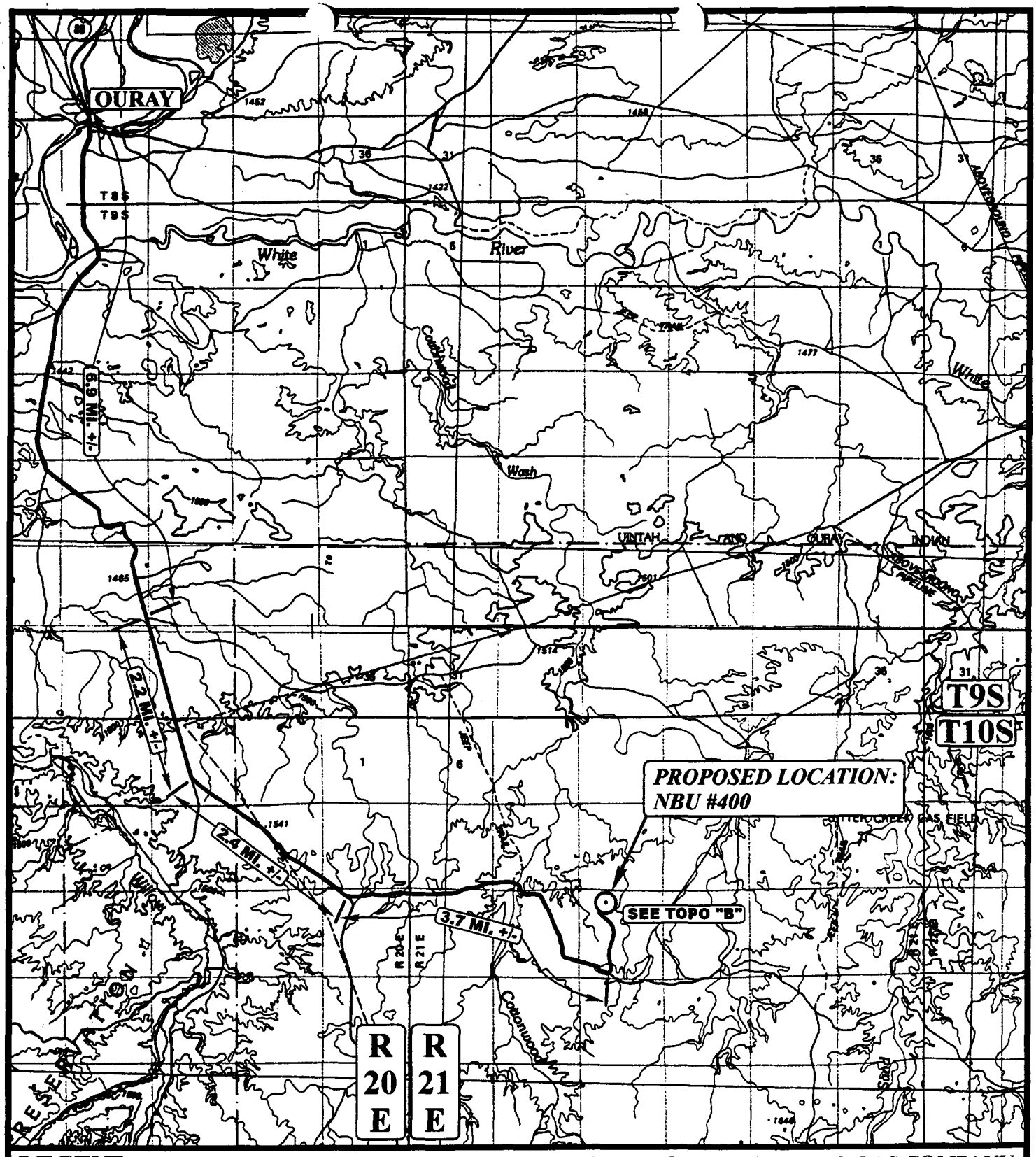
PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHEASTERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: NORTHERLY**

- Since 1964 -

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	10 MONTH	12 DAY	01 YEAR	PHOTO
TAKEN BY: B.B.	DRAWN BY: P.M.	REVISED: 00-00-00		



LEGEND:

⊙ PROPOSED LOCATION

N

EL PASO PRODUCTION OIL & GAS COMPANY

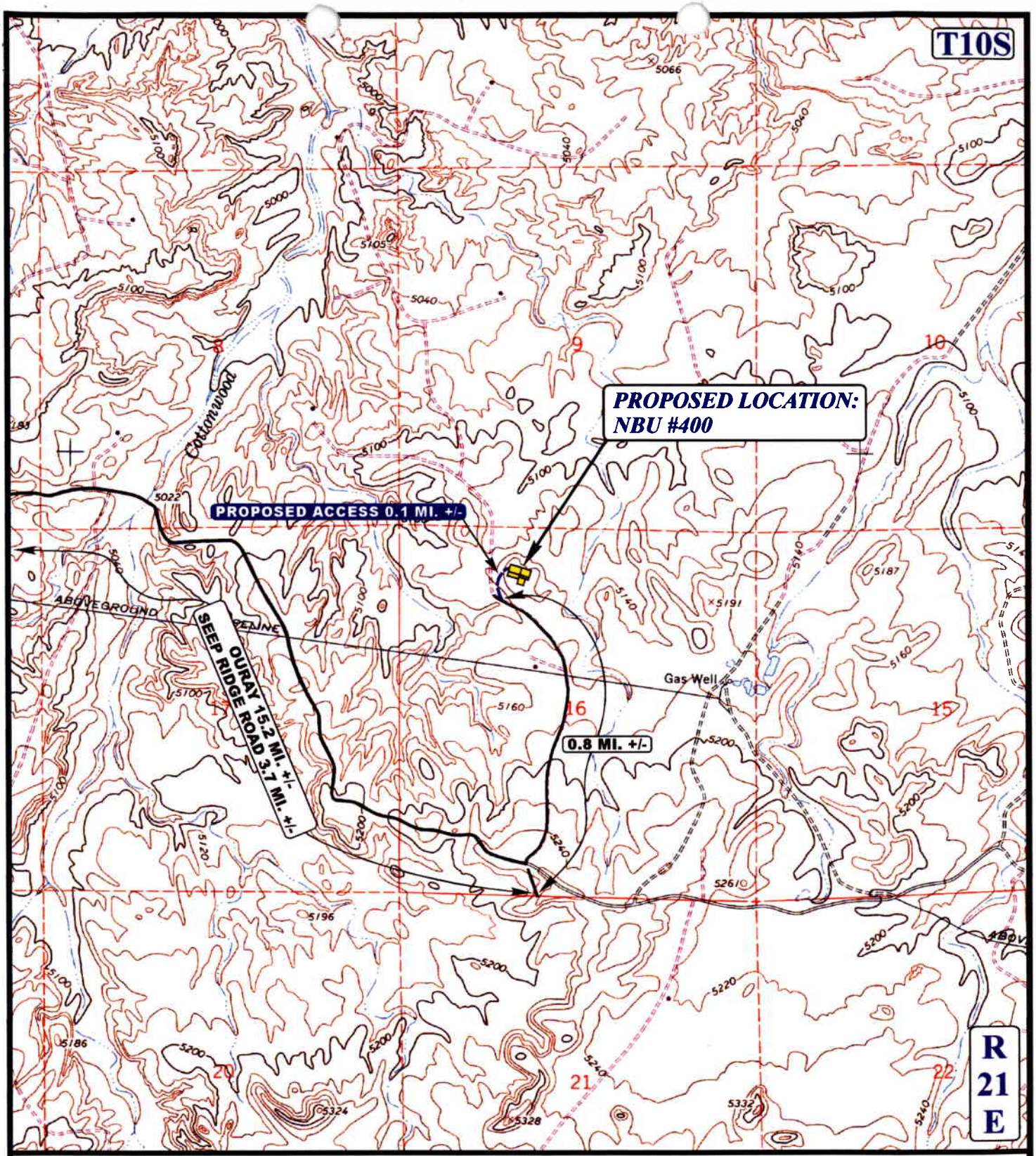
NBU #400

SECTION 16, T10S, R21E, S.L.B.&M.

709' FNL 1800' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPO	MONTH	DAY	YEAR
SCALE: 1:100,000	DRAWN BY: P.M.	REVISED: 00-00-00	A TOPO



LEGEND:

PROPOSED ACCESS ROAD

EXISTING ROAD

N

EL PASO PRODUCTION OIL & GAS COMPANY

NBU #400

SECTION 16, T10S, R21E, S.L.B.&M.

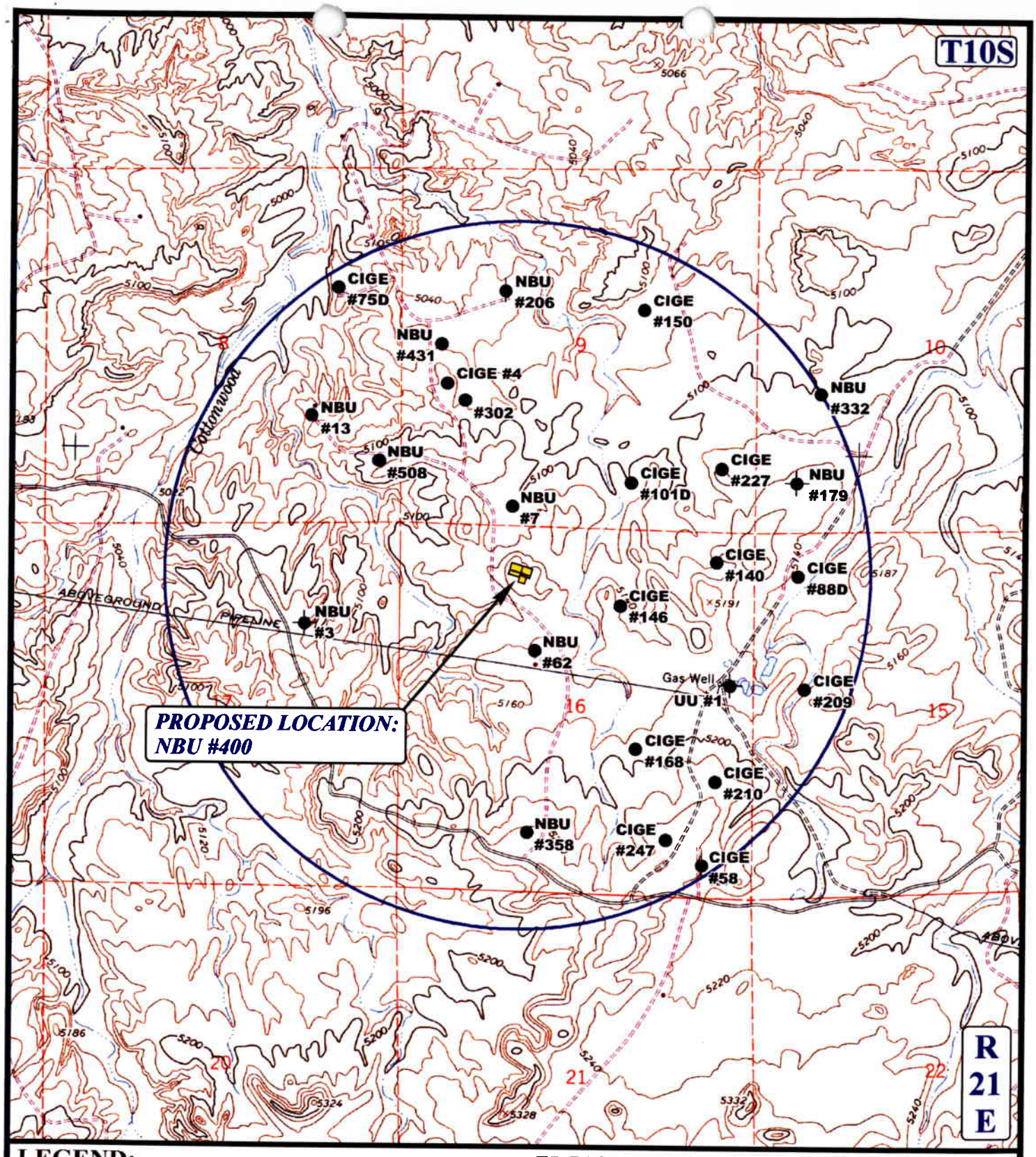
709' FNL 1800' FWL

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	10 MONTH	12 DAY	01 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: P.M.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

EL PASO PRODUCTION OIL & GAS COMPANY

NBU #400

SECTION 16, T10S, R21E, S.L.B.&M.

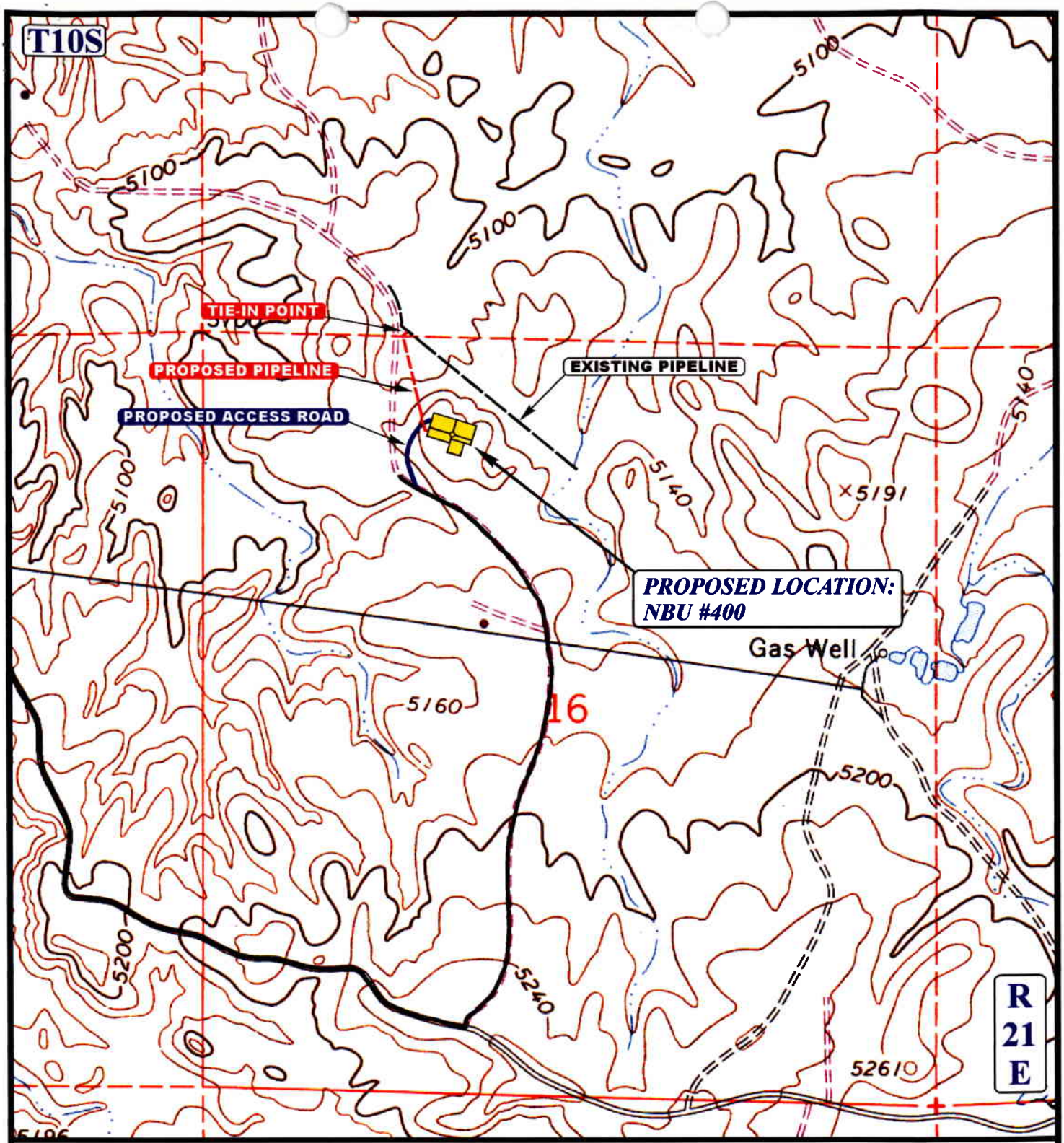
709' FNL 1800' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 10 MONTH | 12 DAY | 01 YEAR

SCALE: 1" = 2000' | DRAWN BY: P.M. | REVISED: 00-00-00

C TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 950' +/-

LEGEND:

EXISTING ROAD
PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE

N

EL PASO PRODUCTION OIL & GAS COMPANY

NBU #400
SECTION 16, T10S, R21E, S.L.B.&M.
709' FNL 1800' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

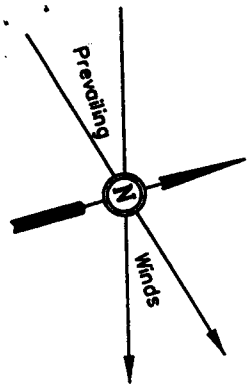
TOPOGRAPHIC MAP | 10 MONTH | 12 DAY | 01 YEAR | D TOPO

SCALE: 1" = 1000' | DRAWN BY: P.M. | REVISED: 00-00-00

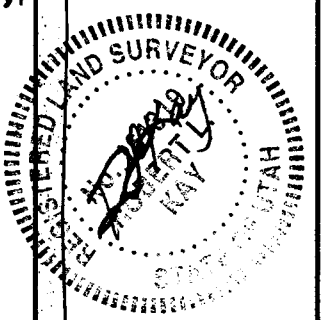
EL PASO PRODUCTION OIL & GAS COMPANY

LOCATION LAYOUT FOR

NBU #400
SECTION 16, T10S, R21E, S.L.B.&M.
709' FNL 1800' FWL



SCALE: 1" = 50'
DATE: 10-19-01
Drawn By: D.COX



NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

Proposed Access Road

Sta. 3+25

Topsoil Stockpile

60'

6 *F-1.6'* *El. 66.4'*

7 *F-2.2'* *El. 65.8'*

8 *F-4.9'* *El. 63.1'*

175'

PIPE TUBS

CATWALK

PIPE RACKS

Pit Topsoil

FLARE PIT

C-2.8' *El. 70.8'*

C-2.0' *El. 70.0'*

C-1.5' *El. 69.5'*

F-7.6' *El. 60.4'*

Blooie Line

5

D

25'

35'

RIG

110'

1

Sta. 1+50

El. 73.1'
C-15.1'
(btm. pit)

C

100'

MUD TANKS

DOG HOUSE

TOILET

TRAILER

LIGHT PLANT

BOILER

COMPRESSOR

WATER TANK

PUMP HOUSE

BOOSTER

RESERVE PITS
(10' Deep)

Pit Capacity With 2' of Freeboard is ±9,650 Bbls.

Sta. 0+65

100'

15' WIDE BENCH

Approx. Top of Cut Slope

El. 71.1'
C-13.1'
(btm. pit)

B

A

TRASH

150'

PROPANE STORAGE

50'

35'

El. 70.2'
C-2.2'

Reserve Pit Backfill & Spoils Stockpile

F-1.7' *El. 66.3'*

F-2.9' *El. 65.1'*

3

2

Approx. Toe of Fill Slope

Sta. 0+00

4

F-2.5'
El. 65.5'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5169.5'
FINISHED GRADE ELEV. AT LOC. STAKE = 5168.0'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EL PASO PRODUCTION OIL & GAS COMPANY

TYPICAL CROSS SECTIONS FOR

NBU #400
SECTION 16, T10S, R21E, S.L.B.&M.
709' FNL 1800' FWL

1" = 20'
X-Section Scale
1" = 50'

DATE: 10-19-01
Drawn By: D.COX

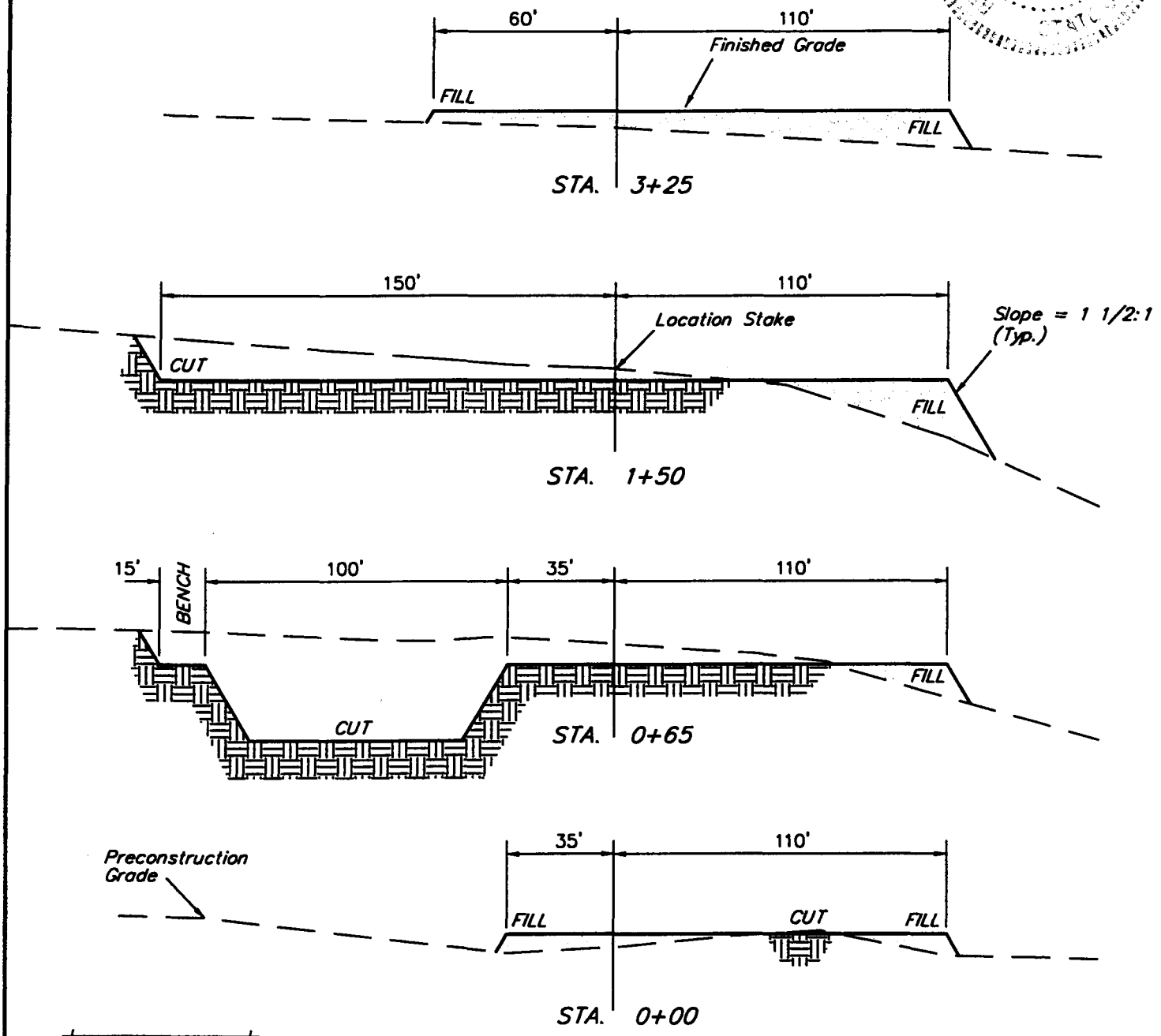


FIGURE #2

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,220 Cu. Yds.
Remaining Location = 5,260 Cu. Yds.

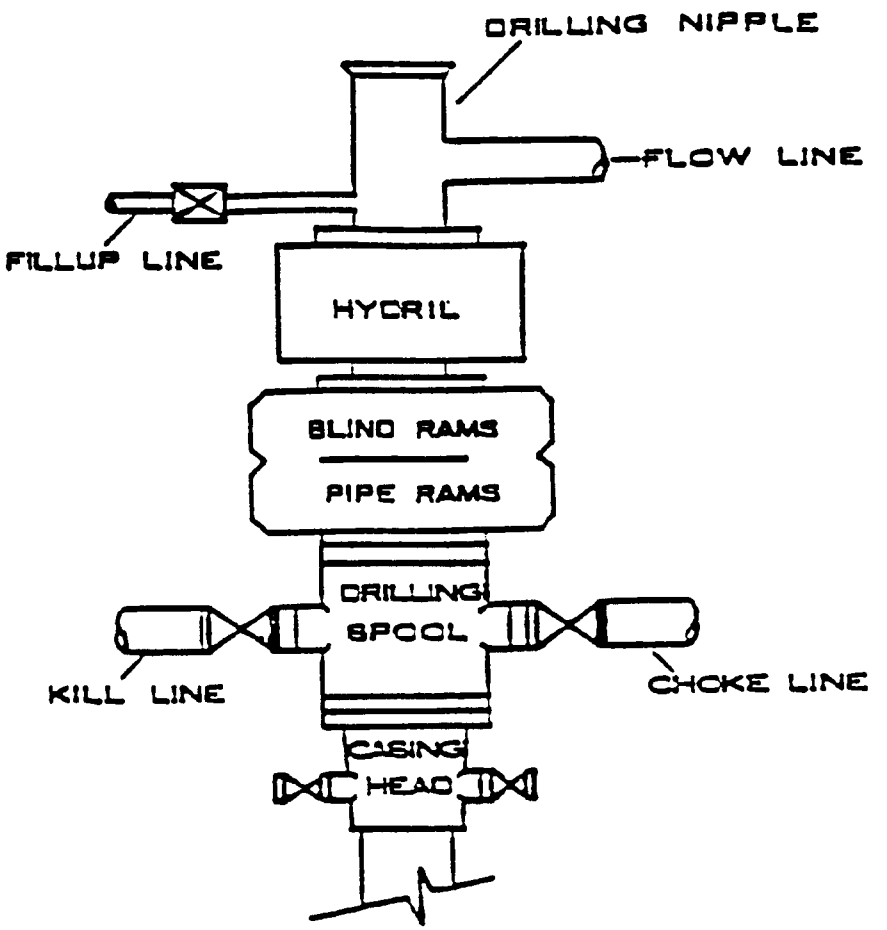
TOTAL CUT = 6,480 CU.YDS.
FILL = 3,720 CU.YDS.

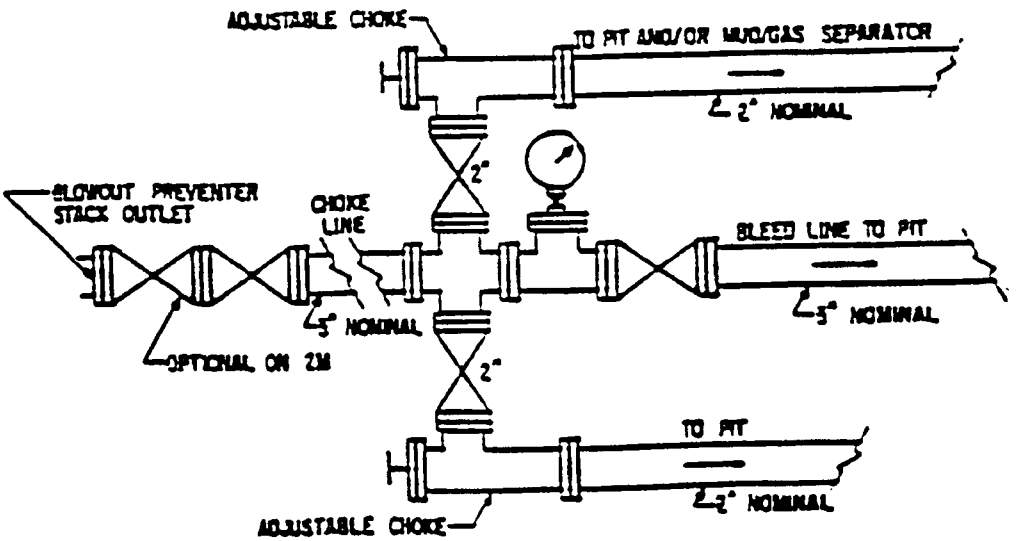
EXCESS MATERIAL AFTER 5% COMPACTION = 2,560 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 2,560 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

3,000 PSI

BOP STACK





004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/22/2002

API NO. ASSIGNED: 43-047-34794

WELL NAME: NBU 400

OPERATOR: EL PASO PROD OIL & GAS (N1845)

CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:

NENW 16 100S 210E

SURFACE: 0709 FNL 1800 FWL

BOTTOM: 0709 FNL 1800 FWL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 3 - State

LEASE NUMBER: ML-10755

SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DRD	1/28/03
Geology		
Surface		

LATITUDE: 39.95333

LONGITUDE: 109.55962

RECEIVED AND/OR REVIEWED:

✓ Plat

___ Bond: Fed[] Ind[] Sta[3] Fee[]
(No. 400JU0705)

N Potash (Y/N)

Y Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 43-8496)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit NATURAL BUTTES ✓

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

✓ Drilling Unit

Board Cause No: 173-14

Eff Date: 12-2-99

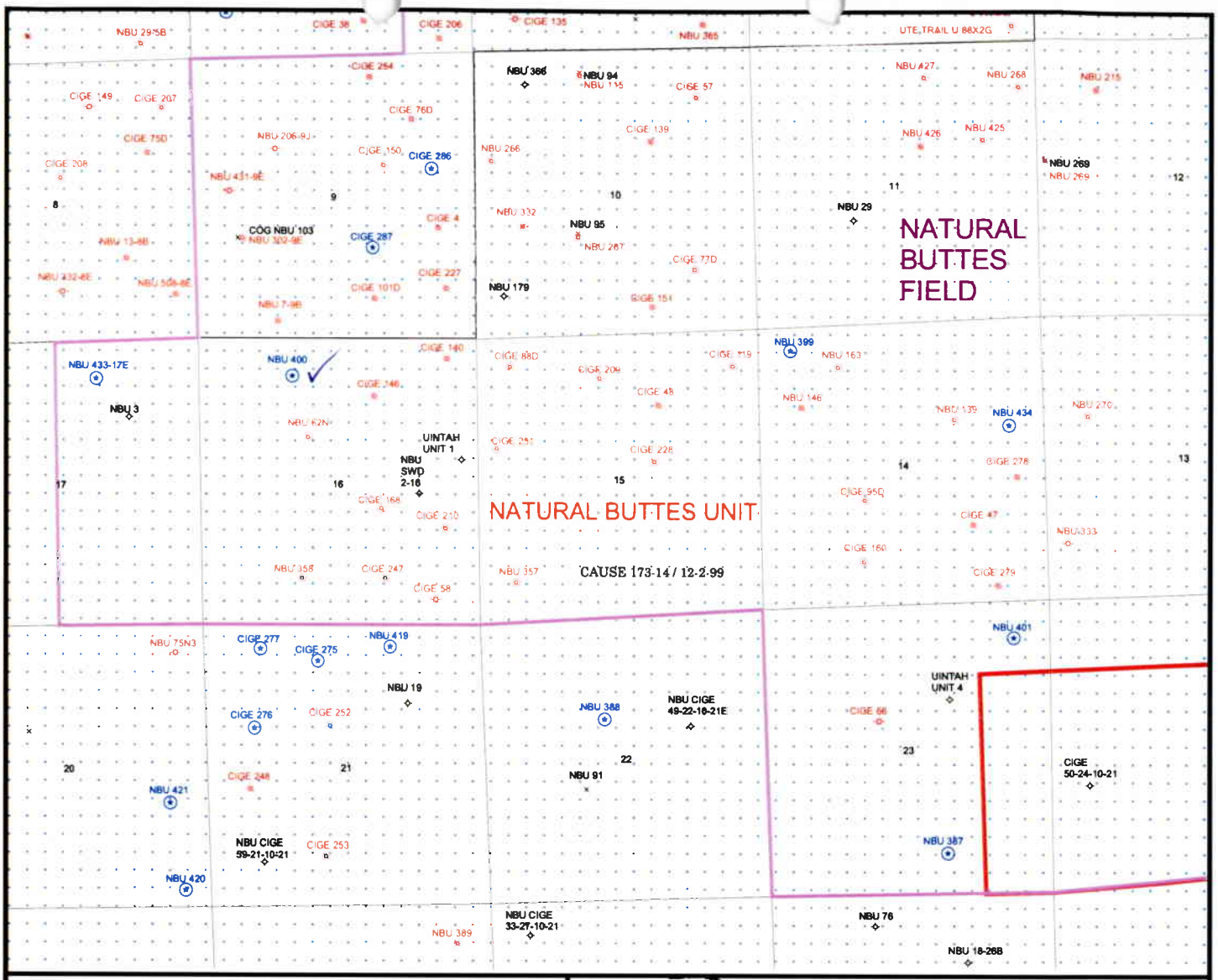
Siting: 460' fr U boundary & Uncomm. Tract

___ R649-3-11. Directional Drill

COMMENTS: Needs Permit (12-12-02)

STIPULATIONS: (1) Oil Shale

(2) STATEMENT OF BASIS



OPERATOR: EL PASO PRODUCTION (N1845)

SEC. 16 T10S, R21E,

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-99

Utah Oil Gas and Mining

WELLS

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

UNIT STATUS

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

FIELD STATUS

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

COUNTY BOUNDARY

SECTION LINES

TOWNSHIP LINES

N

W E

S

PREPARED BY: DIANA MASON
DATE: 26-NOVEMBER-2002

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: EL PASO PRODUCTION & GAS COMPANY
WELL NAME & NUMBER: NBU 400
API NUMBER: 43-047-34794
LOCATION: 1/4,1/4 NE/NW Sec: 16 TWP: 10S RNG:21E 1800' FWL 706' FNL

Geology/Ground Water:

El Paso proposes to set 250' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 5,000'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of section 16 . This well is approximately .5 miles from the proposed location and is listed as an oilfield use well . Depth of the well is not listed. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.

Reviewer: Brad Hill **Date:** 12/16/02

Surface:

The predrill investigation of the surface was performed on 12/12/02. Floyd Bartlett and Miles Hanberg with DWR and Ed Bonner with SITLA were invited to this investigation on 12/2/02. Mr. Bartlett was present. SITLA did not have a representative present. Mr. Bartlett did not have any concerns regarding the construction of this location or the drilling of the well. This site is on State surface with State minerals. This site appears to be the best site for a location in the immediate area.

Reviewer: David W. Hackford **Date:** 12/13//02

Conditions of Approval/Application for Permit to Drill:

None.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: EL PASO PRODUCTION OIL & GAS COMPANY.
WELL NAME & NUMBER: NBU 400
API NUMBER: 43-047-34794
LEASE: ML-10755 **FIELD/UNIT:** NATURAL BUTTES
LOCATION: 1/4,1/4 NE/NW **Sec:** 16 **TWP:** 10S **RNG:** 21E 1800' FWL 706' FNL
LEGAL WELL SITING: _____F **SEC. LINE;** _____F **1/4,1/4 LINE;** _____F **ANOTHER WELL.**
GPS COORD (UTM): **4423595N 12623012N** **SURFACE OWNER:** STATE OF UTAH

PARTICIPANTS

DAVID W. HACKFORD (DOGM), FLOYD BARTLETT, (DWR), SONIA LOUCKS, CARROLL WILSON, (EL PASO). DAVID KAY, (UELS).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS ON TOP OF A LOW FLAT TOPPED MESA. SITE DRAINS TO THE NORTH, SOUTH AND WEST, BUT ALL DRAINAGES EVENTUALLY TURN NORTH TOWARD THE WHITE RIVER. THIS SITE IS COVERED WITH FIST SIZED DARK RED SHALE ROCKS. THIS SITE IS 7.5 MILES SOUTH OF THE WHITE RIVER AND 16.1 MILES SOUTHEAST OF OURAY, UTAH.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 325' BY 245'. ACCESS ROAD WILL BE 0.1 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACALITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL RUN NORTH TO THE SECTION LINE AND TIE INTO AN EXISTING LINE.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: SALTBRUSH, SHADSCALE, PRICKLEY PEAR, CHEATGRASS, NATIVE GRASSES: PRONGHORN, COYOTES, SONGBIRDS, RAPTORS, RODENTS, RABBITS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY WITH NUMEROUS FIST SIZED DARK RED SHALE ROCKS.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 100' BY 100' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: **AS PER SITLA.**

CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY MONTGOMERY ARCHAEOLOGICAL CONSULTANTS. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A COLD, FROSTY DAY WITH TWO INCHES OF SNOW COVER,

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD	12/12/02. 10:00 AM
DOGM REPRESENTATIVE	DATE/TIME

Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements

Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	5
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	0
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	0
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	0
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	0
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	20	5
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	0
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	0
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	0
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	0

Final Score 10 (Level III Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.
Sensitivity Level II = 15-19; lining is discretionary.
Sensitivity Level III = below 15; no specific lining is required.


2002 12 12


2002 12 12

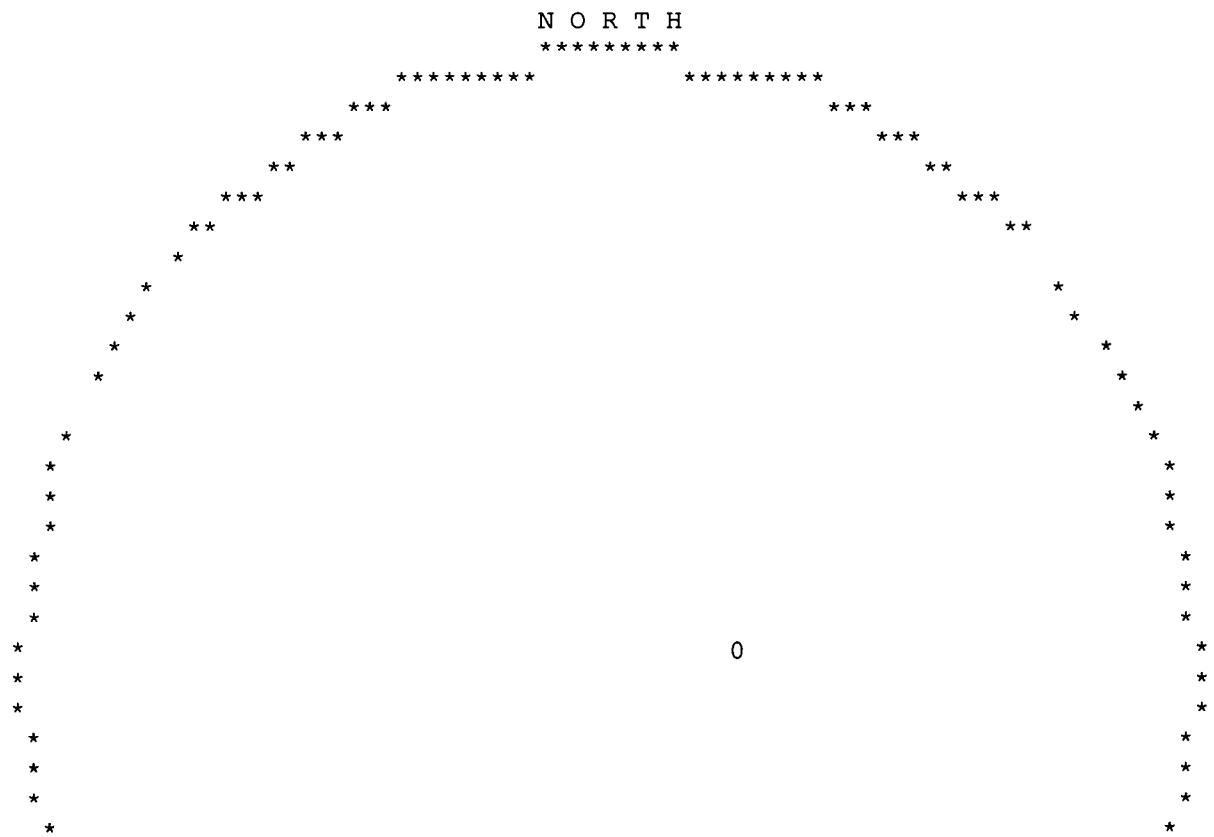
2002 12 12

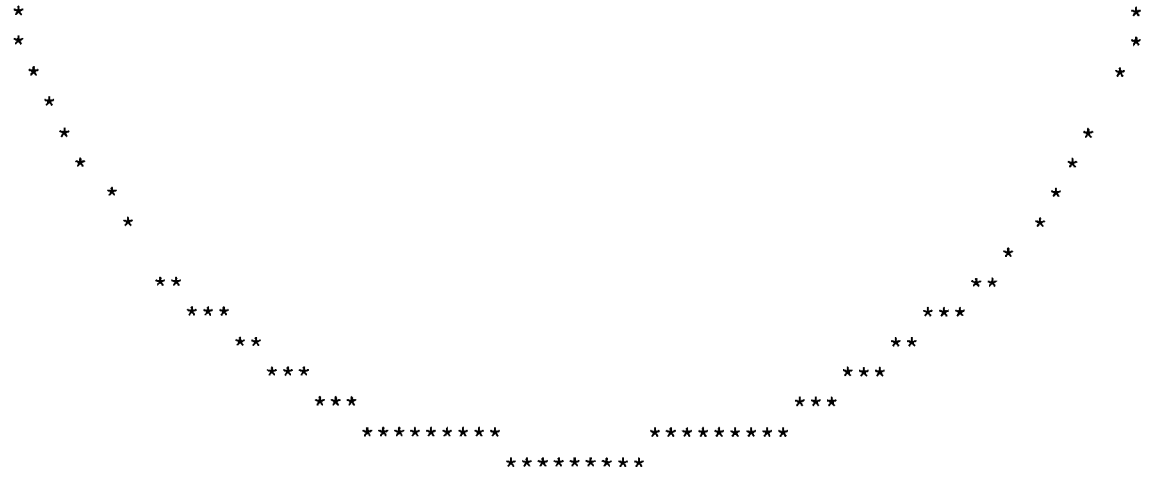
2002 12 12

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED MON, DEC 16, 2002, 4:00 PM
PLOT SHOWS LOCATION OF 3 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 10000 FEET FROM A POINT
FEET, FEET OF THE CT CORNER,
SECTION 16 TOWNSHIP 10S RANGE 21E SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 4000 FEET



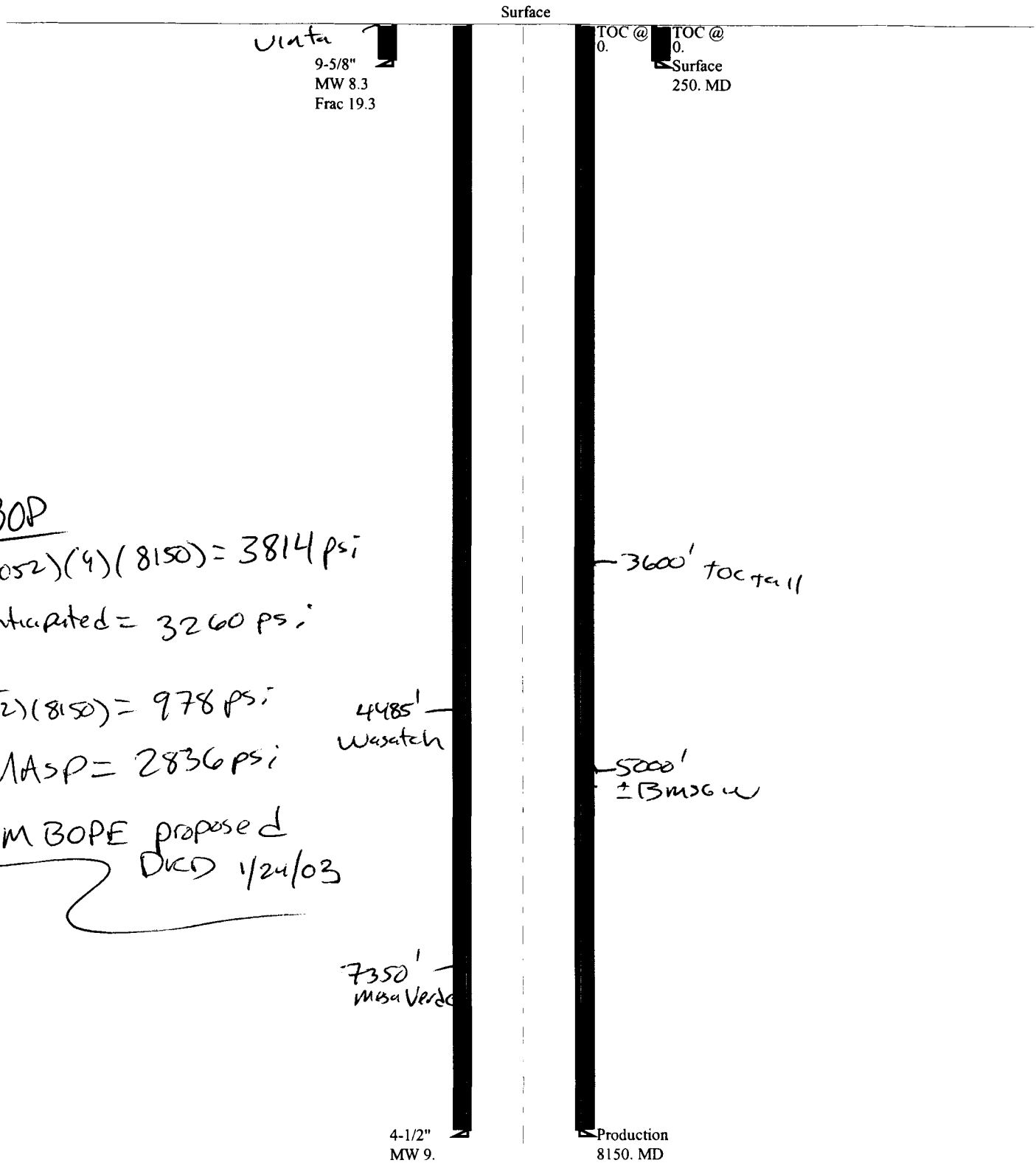


UTAH DIVISION OF WATER RIGHTS
NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR	AC-FT	SOURCE DESCRIPTION or WELL INFO DIAMETER	DEPTH	YEAR LOG	POINT OF DIVERSION DESCRIPTION NORTH		EAST		CNR	SEC	TWN	RNG	B&
0	49 986	.0150		.00	Underground Water Well			S 2200	W	400		NE	16	10S	21E	S
	WATER USE(S): OTHER											PRIORITY DATE: 03/09/1				
	Curry Leasing				P.O. Box 227							Altamont,				
0	49 991	.0150		.00	Underground Water Well			S 2200	W	400		NE	16	10S	21E	S
	WATER USE(S): OTHER											PRIORITY DATE: 03/30/1				
	Target Trucking Inc.				1409 South 1500 East							Vernal				
0	49 1399	.0150		.00	8			S 2200	W	400		NE	16	10S	21E	S
	WATER USE(S): OTHER											PRIORITY DATE: 08/15/1				
	Dalbo Incorporated				355 So. 1000 East							Vernal				

12-02 El Paso NBU 40(

Casing Schematic



Well name:	**12-02 El Paso NBU 400**
Operator:	**El Paso Production Company**
String type:	Surface
Project ID:	43-047-34794
Location:	Uintah County

Design parameters:

Collapse
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 0 psi
Internal gradient: 0.468 psi/ft
Calculated BHP 117 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 219 ft

Environment:
H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 68 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 200 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:
Next setting depth: 8,150 ft
Next mud weight: 9.000 ppg
Next setting BHP: 3,810 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 250 ft
Injection pressure 250 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	250	9.625	32.30	H-40	ST&C	250	250	8.876	15.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	108	1370	12.66	117	2270	19.42	8	254	31.46 J

Prepared by: Dustin Doucet, Utah Dept. of Natural Resources
Phone: 801-538-5281
FAX: 801-359-3940
Date: January 23,2003
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 250 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**12-02 El Paso NBU 400**
Operator:	**El Paso Production Company**
String type:	Production
Project ID:	43-047-34794
Location:	Uintah County

Design parameters:

Collapse
Mud weight: 9.000 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 0 psi
Internal gradient: 0.468 psi/ft
Calculated BHP 3,810 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 7,054 ft

Environment:
H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 179 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8150	4.5	11.60	J-55	LT&C	8150	8150	3.875	188.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3810	4960	1.30	3810	5350	1.40	95	162	1.71 J

El Paso assumes
Max 50K lbs overpull
has been standard practice
Dan Lindsey 1/27/03
158 w/ buoyancy

Prepared by: Dustin Doucet
Utah Dept. of Natural Resources
Phone: 801-538-5281
FAX: 801-359-3940
Date: January 23,2003
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 8150 ft, a mud weight of 9 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

WESTPORT OIL AND GAS COMPANY, L.P.

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety – Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider – Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases – in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black

Debby J. Black
Engineer Technician

Encl:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

In Reply Refer To:
3106
UTU-25566 et al
(UT-924)

FEB 2 1 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523

Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

UNITED STATES GOVERNMENT

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate you concern, and hope that these comments are timely enough for consideration in the revision process.

Charles H Cameron

CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chrono

Form 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

002

6. Lease Designation and Serial Number: U-01194-A-ST
7. Indian Allottee or Tribe Name:
8. Unit or Communitization Agreement:

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other (specify)
9. Well Name and Number: NBU 400
2. Name of Operator: El Paso Production Oil & Gas Company
10. API Well Number:
3. Address of Operator: P.O. Box 1148 Vernal, UT 84078
4. Telephone Number: (435) 781-7023
11. Field and Pool, or Wildcat: Natural Buttes
5. Location of Well
Footage : 709' FNL & 1800' FWL
QQ, Sec, T., R., M : NENW SEC. 16, T10S, R21E
County : Uintah
State : UT

12. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
☐ Abandonment	☐ New Construction	☐ Abandonment *	☐ New Construction
☐ Casing Repair	☐ Pull or Alter Casing	☐ Casing Repair	☐ Pull or Alter Casing
☒ Change of Plans	☐ Recompletion	☐ Change of Plans	☐ Shoot or Acidize
☐ Conversion to Injection	☐ Shoot or Acidize	☐ Conversion to Injection	☐ Vent or Flare
☐ Fracture Treat	☐ Vent or Flare	☐ Fracture Treat	☐ Water Shut-Off
☐ Multiple Completion	☐ Water Shut-Off	☐ Other	
☐ Other			

Approximate Date Work Will Start: _____

Date of Work Completion: _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

OPERATOR REQUESTS TO AMEND THE CEMENT & CASING PROGRAM ORIGINALLY SUBMITTED IN THE APD (APPLICATION FOR PERMIT TO DRILL).

REFER TO THE ATTACHED DRILLING PROGRAM.

RECEIVED
JAN 2 1 2003
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name & Signature: Cheryl Cameron Title: Operations Date: 01/16/03

(State Use Only)

(8/90) See Instructions on Reverse Side

005

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

January 29, 2003

El Paso Production Oil & Gas Company
P O Box 1148
Vernal, UT 84078

Re: Natural Buttes Unit 400 Well, 709' FNL, 1800' FWL, NE NW, Sec. 16, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34794.

Sincerely,

John R. Baza
Associate Director

pb
Enclosures
cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal District Office

Utah!
Where ideas connect

Operator: El Paso Production Oil & Gas Company
Well Name & Number Natural Buttes Unit 400
API Number: 43-047-34794
Lease: ML-10755

Location: NE NW **Sec.** 16 **T.** 10 South **R.** 21 East

Conditions of Approval

1. **General**
Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:
   - 24 hours prior to cementing or testing casing
   - 24 hours prior to testing blowout prevention equipment
   - 24 hours prior to spudding the well
   - within 24 hours of any emergency changes made to the approved drilling program
   - prior to commencing operations to plug and abandon the well

   The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):
   - Dan Jarvis at (801) 538-5338
   - Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**
All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, D.C. 20240

FEB 1 0 2003

IN REPLY REFER TO:
Real Estate Services

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, ($150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: Exhibit "A"

2. NAME OF OPERATOR: El Paso Production Oil & Gas Company

9. API NUMBER:

3. ADDRESS OF OPERATOR: 9 Greenway Plaza CITY Houston STATE TX ZIP 77064-0995

PHONE NUMBER: (832) 676-5933

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
_____	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # _____

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

RECEIVED
FEB 2 8 2003
DIV. OF OIL, GAS & MINING

EL PASO PRODUCTION OIL & GAS COMPANY

By: _____
Jon R. Nelsen, Attorney-in-Fact

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT) David R. Dix TITLE Agent and Attorney-in-Fact

SIGNATURE _____ DATE 12/17/02

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.
Attn: Gary D. Williamson
1670 Broadway, Suite 2800
Denver, Colorado 80202

Re: Natural Buttes Unit
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Minerals Adjudication Group
File - Natural Buttes Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT922:TAThompson:tt:02/27/2003

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

5. Lease Serial No.
SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
SEE ATTACHED EXHIBIT "A"

2. Name of Operator
WESTPORT OIL & GAS COMPANY, L.P.

9. API Well No.
SEE ATTACHED EXHIBIT "A"

3a. Address
P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. *(include area code)*
(435) 781-7023

10. Field and Pool, or Exploratory Area

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
SEE ATTACHED EXHIBIT "A"

11. County or Parish, State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other SUCCESSOR OF OPERATOR
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration ther
If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zo
Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 d
following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed o
testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator
determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF. BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED
MAR 0 4 2003
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name *(Printed/Typed)*
CHERYL CAMERON

Title
OPERATIONS

Signature

Date
March 4, 2003

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW ✓
3. FILE

006

X Change of Operator (Well Sold) Designation of Agent/Operator

Operator Name Change Merger

The operator of the well(s) listed below has changed, effective: **12-17-02**

FROM: (Old Operator):		**TO:** (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY		WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA		Address: P O BOX 1148
HOUSTON, TX 77064-0995		VERNAL, UT 84078
Phone: 1-(832)-676-5933		Phone: 1-(435)-781-7023
Account No. N1845		Account No. N2115

CA No. **Unit:** **NATURAL BUTTES**

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU CIGE 48-15-10-21	15-10S-21E	43-047-30506	2900	FEDERAL	GW	P
NBU CIGE 88D-15-10-21P	15-10S-21E	43-047-30958	2900	FEDERAL	GW	P
CIGE 119-15-10-21	15-10S-21E	43-047-31927	2900	FEDERAL	GW	P
CIGE 209-15-10-21	15-10S-21E	43-047-32943	2900	FEDERAL	GW	P
CIGE 228-15-10-21	15-10S-21E	43-047-32999	2900	FEDERAL	GW	P
CIGE 251	15-10S-21E	43-047-33720	2900	FEDERAL	GW	P
CIGE 357	15-10S-21E	43-047-33728	2900	FEDERAL	GW	P
CIGE 247	15-10S-21E	43-047-33639	2900	STATE	GW	P
CIGE 358	16-10S-21E	43-047-33708	2900	STATE	GW	P
CIGE 400	16-10S-21E	43-047-34794	2900	STATE	GW	APD
CIGE 140-16-10-21	16-10S-21E	43-047-31977	2900	STATE	GW	P
NBU CIGE 58-16-10-21	16-10S-21E	43-047-30532	2900	STATE	GW	S
NBU 62N	16-10S-21E	43-047-30909	2900	STATE	GW	P
CIGE 146-16-10-21	16-10S-21E	43-047-32021	2900	STATE	GW	P
CIGE 168-16-10-21	16-10S-21E	43-047-32123	2900	STATE	GW	P
CIGE 210-16-10-21	16-10S-21E	43-047-32888	2900	STATE	GW	P
NBU 3	17-10S-21E	43-047-30054	2900	FEDERAL	GW	PA
NBU 218-17V	17-10S-21E	43-047-31310	2900	FEDERAL	GW	P
NBU 17-18B	18-10S-21E	43-047-30317	2900	FEDERAL	GW	S
NBU 33Y	18-10S-21E	43-047-30504	2900	FEDERAL	GW	PA

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database on:** 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 03/21/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 03/21/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

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007

SUBMIT IN TRIPLICATE – Other instructions on reverse side

5. Lease Serial No.
Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
891008900A

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Multiple Wells - see attached

2. Name of Operator
WESTPORT OIL & GAS COMPANY, L.P.

9. API Well No.
Multiple Wells - see attached

3a. Address
P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. *(include area code)*
(435) 781-

10. Field and Pool, or Exploratory Area
Natural Buttes Unit

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Multiple Wells - see attached

11. County or Parish, State
Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
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☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

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Westport Oil & Gas requests a variance to Onshore Order No. 4, Part IIIC.a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of oringinal volume to 98.52% when the pressure was dropped. The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

14. I hereby certify that the foregoing is true and correct

Name *(Printed/Typed)*
J.T. Conley

Title
Operations Manager

Signature

Date
9-2-2003

COPY SENT TO OPERATOR
Date: 9-16-03
Initials: CHD

SEP 10 2003
DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Federal Approval Of This Action Is Necessary

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Accepted by the Utah Division of Oil, Gas and Mining
Date: 9/16/03
By:

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Westport Oil & Gas, L.P.

Project Economics Works

Instructions: Fill in blue and areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for $/BF and $/MCF

Project Name: **Condensate Shrinkage Economics**

Is this job a well pull or production rig job ??? N (Y or N)

	BEFORE $/Year	AFTER $/Year	DIFFERENCE $/Year
Gross Oil Revenue	$1,088	$1,099	$11
Gross Gas Revenue	$0	$0	$0
NGL Revenue	$0	$0	$0
PULLING UNIT SERVICE			$0
WIRELINE SERVICE			$0
SUBSURF EQUIP REPAIRS			$0
COMPANY LABOR			$0
CONTRACT LABOR	$0	$200	$200
CONTR SERVICE			$0
LEASE FUEL GAS	$0	$0	$0
UTILITIES - ELECTRICITY	$0	$0	$0
CHEMICAL TREATING			$0
MATERIAL & SUPPLY	$0	$150	$150
WATER & HAULING			$0
ADMINISTRATIVE COSTS			$0
GAS PLANT PROCESSING			$0
Totals	$0	$350	$350

Increased OPX Per Year

Investment Breakdown:

	Cap/Exp Code	Cost, $
Capital $	820/830/840	$1,200
Expense $	830/860	$0
Total $		$1,200

Oil Price	$ 23.00	$/BO
Gas Price	$ 3.10	$/MCF
Electric Cost	$ -	$ / HP / day
OPX/BF	$ 2.00	$/BF
OPX/MCF	$ 0.62	$/MCF

Production & OPX Detail:

	Before		After		Difference	
Oil Production	0.192	BOPD	0.194	BOPD	0.002	BOPD
Gas Production	0	MCFPD	0	MCFPD	0	MCFPD
Wtr Production	0	BWPD	0	BWPD	0	BWPD
Horse Power		HP		HP	0	HP
Fuel Gas Burned		MCFPD		MCFPD	0	MCFPD

Project Life:

Life = 20.0 Years

(Life no longer than 20 years)

Internal Rate of Return:

After Tax IROR = #DIV/0!

AT Cum Cashflow:

Operating Cashflow = ($2,917) (Discounted @ 10%)

Payout Calculation:

$$\text{Payout} = \frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$$

Payout occurs when total AT cashflow equals investment

See graph below, note years when cashflow reaches zero

Payout = NEVER Years or #VALUE! Days

Gross Reserves:

Oil Reserves = 6 BO

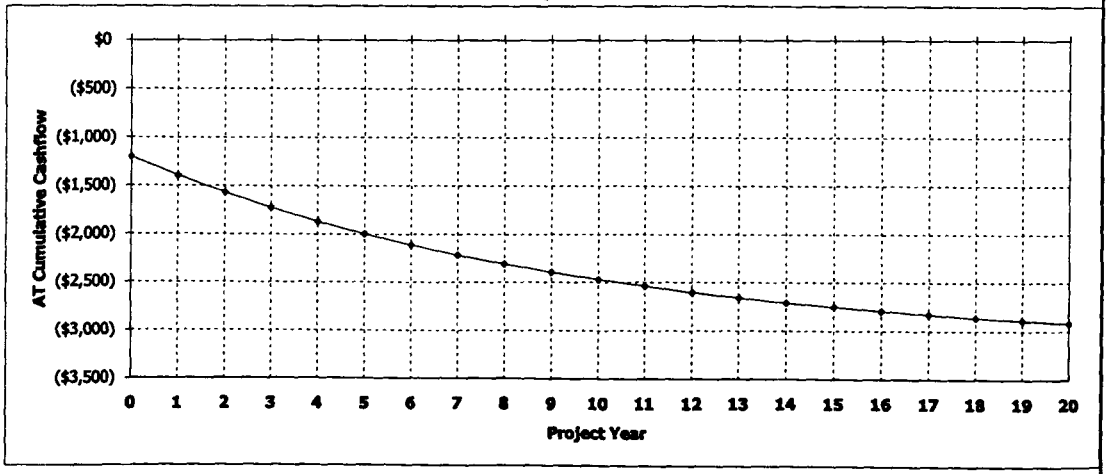
Gas Reserves = 0 MCF

Gas Equiv Reserves = 38 MCFE

Notes/Assumptions:

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.196 Bcpd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



Westport Oil and Gas, Inc.

NBU/Ouray Field

RFL 2003-022

COMPARISON OF FLASH BACK PRESSURES

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio (scf/STbbl)	Specific Gravity of Flashed Gas	Separator Volume Factor	Separator Volume Percent
psig	°F	(A)	(Air=1.000)	(B)	(C)
Calculated at Laboratory Flash Conditions					
80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%
Calculated Flash with Backpressure using Tuned EOS					
80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

WELL	LEGALS	STFLEASENO	CANUMBER	APINO
NBU 332	10-10-21 NWSW	UTU01416A	891008900A	4304733640000S1
NBU 333	13-10-21 SWSW	ML23608	891008900A	4304733641000S1 ✓
NBU 335	4-10-22 SENE	UTU01191	891008900A	4304733724000S1
NBU 336	4-10-22 NWNE	U-01191	891008900A	4304734027000S1
NBU 337	4-10-22 SENW	U-01191-A	891008900A	4304734020000S1
NBU 338	5-10-22 NESE	UTU01191	891008900A	4304734058000S1
NBU 339	5-10-22 NWSE	UTU01191	891008900A	4304734406000S1
NBU 340	6-10-22 SWNE	UTU01195	891008900A	4304733725000S1
NBU 340X	6-10-22 SWNE	UTU01195	891008900A	4304734015000S1
NBU 341	6-10-22 SWNW	UTU464	891008900A	4304733726000S1
NBU 342	7-10-22 NWSE	UTU468	891008900A	4304733727000S1
NBU 343	8-10-22 NWNE	UTU01196C	891008900A	4304733719000S1
NBU 344	8-10-22 SWNE	UTU01196C	891008900A	4304734021000S1
NBU 345	10-10-22 SWNE	UTU02587	891008900A	4304733704000S1 ✓
NBU 345-4E	4-10-21 SWSW	UTU01393B	891008900A	4304734700000S1 ✓
NBU 347	11-10-22 NWSW	UTU01197A	891008900A	4304733709000S1 ✓
NBU 348	11-10-22 SWSW	UTU01197A-ST	891008900A	4304734001000S1
NBU 349	11-10-22 SWSE	UTU01197A-ST	891008900A	4304734002000S1 ✓
NBU 350	14-10-22 NWNE	UTU01197A	891008900A	4304733642000S1 ✓
NBU 351	30-10-22 SESE	UTU0132568A	891008900A	4304733668000S1
NBU 352	9-9-21 SWNW	UTU0149767	891008900A	4304733922000S1
NBU 353	27-9-21 SENW	U01194A	891008900A	4304733205000S1 ✓
NBU 354	31-9-22 NENW	UTU464	891008900A	4304733231000S1
NBU 356	30-9-22 NENW	U463	891008900A	4304733232000S1
NBU 357	15-10-21 SWSW	UTU01791A	891008900A	4304733728000S1
NBU 358	16-10-21 SESW	ML10755	891008900A	4304733708000S1
NBU 359	29-10-21 NWNE	ML21330	891008900A	4304733706000S1
NBU 360	29-10-22 SESW	UTU0145824	891008900A	4304733773000S1
NBU 361	32-10-22 NWNW	ML22798	891008900A	4304733705000S1 ✓
NBU 362	28-9-21 SESW	UTU0576	891008900A	4304733774000S1
NBU 363	28-9-21 SESE	UTU0576	891008900A	4304733775000S1
NBU 364	29-9-21 SESE	UTU0581	891008900A	4304733776000S1
NBU 365	3-10-21 SESE	UTU0149078	891008900A	4304733777000S1
NBU 366	10-10-21 NWNW	UTU0149079	891008900A	4304733729000S1
NBU 367	11-10-22 NESW	UTU01197A-ST	891008900A	4304733707000S1 ✓
NBU 370	17-9-21 NWSW	UTU0575	891008900A	4304734672000S1 ✓
NBU 371	8-9-21 SWSE	UTU0575B	891008900A	4304734673000S1 ✓
NBU 375	12-9-21 SWNE	UTU0141317	891008900A	4304734440000S1 ✓
NBU 376	12-9-21 NENE	UTU0141317	891008900A	4304734441000S1 ✓
NBU 377	31-9-21 NENW	UTU0582	891008900A	4304734363000S1
NBU 378	31-9-21 NWNE	UTU0582	891008900A	4304734364000S1
NBU 381	23-10-22 SESW	UTU01198B	891008900A	4304734234000S1
NBU 382	22-10-22 SENW	U-01198-B	891008900A	4304734235000S1
NBU 383	21-10-22 SESW	U-489	891008900A	4304734236000S1
NBU 384	30-10-22 SENW	UTU0132568A	891008900A	4304734237000S1 ✓
NBU 385	18-10-22 SENW	ML22973	891008900A	4304734228000S1
NBU 386	17-10-22 NESE	UTU470	891008900A	4304734238000S1
NBU 387	23-10-21 SWSE	U-02277-A	891008900A	4304734239000S1
NBU 388	22-10-21 SENW	U-02278-A	891008900A	4304734240000S1
NBU 389	28-10-21 NENE	ML21329	891008900A	4304734229000S1
NBU 390	30-10-21 SESE	ML22793	891008900A	4304734230000S1
NBU 391	17-9-21 NWNW	UTU0575	891008900A	4304734874000S1
NBU 393	22-9-20 SWNW	U0577B	891008900A	4304734864 0S1
NBU 394	11-10-22 SWSE	UTU01197A-ST	891008900A	4304734804000S1 ✓
NBU 395	27-9-21 SWSW	UTU01194A-ST	891008900A	4304734374000S1 ✓
NBU 396	33-9-21 NENW	UTU0576	891008900A	4304734480000S1 ✓
NBU 397	26-10-20 NESW	UTU4476	891008900A	4304734365000S1
NBU 398	18-10-21 NENW	UTU02270A	891008900A	4304734366000S1
NBU 399	14-10-21 NWNW	UTU465	891008900A	4304734409000S1
NBU 400	16-10-21 NENW	ML10755	891008900A	4304734794000S1
NBU 401	23-10-21 NENE	UTU02278A	891008900A	4304734801000S1
NBU 404	32-9-22 SWSE	ML22649	891008900A	4304734375000S1 ✓
NBU 405	27-9-21 NENE	UTU01194A-ST	891008900A	4304734407000S1 ✓
NBU 407	32-10-22 NENW	ML22798	891008900A	4304734318000S1 ✓
NBU 408	31-10-22 NENE	UTU0143551	891008900A	4304734590000S1 ✓
NBU 409	32-9-21 NWSW	ML48758	891008900A	4304734421000S1 ✓
NBU 410	32-9-21 SWSW	ML48758	891008900A	4304734872000S1
NBU 411	32-9-21 SESE	ML48758	891008900A	4304734422000S1 ✓
NBU 412	32-10-22 SENW	ML22798	891008900A	4304734319000S1 ✓
NBU 413	32-10-22 SWNW	ML22798	891008900A	4304734320000S1 ✓
NBU 414	31-10-22 SENE	UTU0143551	891008900A	4304734387000S1
NBU 414-20E	20-9-21 NWNE	U0143551/U0575	891008900A	4304734779000S1
NBU 415-20E	20-9-21 SWNE	UTU0575	891008900A	4304734489000S1 ✓
NBU 416	36-9-20 SESE	ML48757	891008900A	4304734423000S1 ✓
NBU 418	12-9-21 NWNW	UTU0141317	891008900A	4304734777000S1

Form 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

008

6. Lease Designation and Serial Number: ML-10755
7. Indian Allottee or Tribe Name:
8. Unit or Communitization Agreement: NATURAL BUTTES UNIT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well	9. Well Name and Number
[ ] Oil Well [X] Gas Well [ ] Other (specify)	**NBU #400**
2. Name of Operator: WESTPORT OIL & GAS COMPANY L.P.	10. API Well Number: 43-047-34794
3. Address of Operator: 1368 SOUTH 1200 EAST VERNAL, UT 84078	4. Telephone Number: (435) 781-7024 / 11. Field and Pool, or Wildcat: NATURAL BUTTES
5. Location of Well: Footage : 709'FNL & 1800'FWL; QQ, Sec, T., R., M : NE/W SECTION 16-T10S-R21E	County : UINTAH; State : UTAH

12. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
[ ] Abandonment	[ ] New Construction	[ ] Abandonment *	[ ] New Construction
[ ] Casing Repair	[ ] Pull or Alter Casing	[ ] Casing Repair	[ ] Pull or Alter Casing
[ ] Change of Plans	[ ] Recompletion	[ ] Change of Plans	[ ] Shoot or Acidize
[ ] Conversion to Injection	[ ] Shoot or Acidize	[ ] Conversion to Injection	[ ] Vent or Flare
[ ] Fracture Treat	[ ] Vent or Flare	[ ] Fracture Treat	[ ] Water Shut-Off
[ ] Multiple Completion	[ ] Water Shut-Off	[ ] Other	
[X] Other ONE YEAR EXTENSION			

Approximate Date Work Will Start: IMMEDIATE

Date of Work Completion:

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION, SO THAT DRILLING OPERATIONS MAY BE COMPLETED.

Approved by the Utah Division of Oil, Gas and Mining
Date: 01-22-04
By:

COPY SENT TO OPERATOR
Date: 1-23-04
Initials: CHD

14. I hereby certify that the foregoing is true and correct.

Name & Signature: Sheila Upchego Title: Regulatory Analyst Date: 01/12/04

(State Use Only)

RECEIVED
JAN 20 2004
DIV. OF OIL, GAS & MINING

(8/90) See Instructions on Reverse Side

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34794
Well Name: NBU #400
Location: NESW SECTION 16-T10S-R21E
Company Permit Issued to: WESTPORT OIL & GAS CO., L.P.
Date Original Permit Issued: 1/29/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐No☑

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐No☑

Has the approved source of water for drilling changed? Yes☐No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐No☑

Is bonding still in place, which covers this proposed well? Yes☑No☐

Signature

1/12/2004
Date

Title: REGULATORY ANALYST

Representing: WESTPORT OIL & GAS COMPANY L.P.

009

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 25, 2005

Sheila Upchego
Westport Resources Corp.
1368 South 1200 East
Vernal UT 84078

Re: APD Rescinded – NBU 400, Sec. 16, T. 10S, R. 21E
Uintah County, Utah API No. 43-047-34794

Dear Ms. Upchego:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on January 29, 2003. On January 22, 2004, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 22, 2005.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Whitney
Engineering Technician

cc: Well File
SITLA, Ed Bonner

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